

Date Mailed
December 17, 2002

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Joint Application of Minnesota Power Company and
Wisconsin Public Service Corporation for Authority to
Construct and Place in Service Electric Transmission Lines
and Other Electric Facilities for the Arrowhead-Weston Project,
Located in St. Louis County in Minnesota, and Chippewa, Clark,
Douglas, Lincoln, Marathon, Oneida, Price, Rusk, Sawyer, Taylor,
and Washburn Counties in Wisconsin

05-CE-113

NOTICE OF REQUEST FOR COMMENTS

Comments Due:	Address Comments To:
Friday, January 31, 2003 – Noon	Lynda L. Dorr Secretary to the Commission Public Service Commission P.O. Box 7854 Madison, WI 53707-7854 FAX (608) 266-3957
FAX Due:	
Thursday, January 30, 2003 – Noon	
Reply Comments Due:	
Monday, February 10, 2003	

On November 10, 1999, Wisconsin Public Service Corporation (WPSC) and Minnesota Power Company (MP) jointly filed an application for the issuance of a Certificate of Public Convenience and Necessity (CPCN) for authority to construct the Arrowhead-Weston transmission line project. On June 29, 2001, the Commission approved the request of the American Transmission Company LLC and ATC Management Inc. (collectively, "ATC"), for a change in status in the docket from party to applicant. As part of this approval, the Commission declared that ATC was bound by all conditions, commitments, and agreements made by WPSC or MP in the course of the Commission proceedings. On October 30, 2001, the Commission issued its order in the docket authorizing WPSC, MP, and ATC to construct the Arrowhead-Weston project.

On November 27, 2002, ATC filed a petition requesting that the Commission's October 30, 2001, order be amended to reflect an increase in estimated project costs. ATC's petition also requests that the Commission hold a hearing of limited scope. A copy of ATC's petition requesting that the Commission amend its final order in this docket can be obtained from ATC by contacting Alycia Winterburn at (608) 877-3535.

The Commission has reopened this docket by a separate order and notice of request for comments on the applicants' request to amend the effective date of the CPCN and whether to permit the construction of fiber optic cable as part of the project.

The Commission requests comments on ATC's petition that the docket be reopened for the following purposes:

- I. To consider whether the Commission should amend its order to reflect ATC's revised estimated project cost. ATC now estimates the total project cost to be approximately \$397.1 million, including costs for facilities to be constructed in Minnesota. The Commission's October 30, 2001, order authorized a total project cost of approximately \$165.7 million, including facilities to be constructed in Minnesota.
- II. To consider the scope of the Commission's hearing in this matter. ATC proposes that the hearing be limited to the following:
 - A. The revised project cost estimate.
 - B. Whether and how the usage, service, or increased regional reliability benefits of the project have changed since the Commission's previous hearing in this docket.
 - C. The appropriate method for estimating how the revised estimated project cost would affect the electric rates of ATC's customers.
 - D. The current cost estimates of the six other EHV alternatives discussed in the Wisconsin Reliability Assessment Organization (WRAO) Report.
 - E. Whether and how changes in the regional electric system since the close of the Commission's previous hearing in this docket have impacted the seven EHV alternatives discussed in the WRAO Report.
 - F. If the Commission decides that central station generation should be evaluated as a project alternative, the hearing should also address the following issues:
 1. Whether and how the regional electric system has changed since the Commission's previous hearing in this docket, and whether and how those changes have impacted the ability of central station generation to:
 - a. Achieve the transfer capability goal specified in the Report to the Wisconsin Legislature on the Regional Electric Transmission System, dated September 1, 1998.
 - b. Maintain reliability with a Loss of Load Expectation (LOLE) of one day in ten years.

- c. Resolve the transmission system security problems on the western interface.
 2. Whether there are proposed central station generation projects that are sufficiently definite to be considered an alternative to the line, and whether those projects are a viable alternative to the project when considering both function and timing.
 3. The current cost estimates of proposed central station generation projects that may be considered as an alternative to the line.
- III. Additional factual issues which may be pertinent to the Commission's evaluation of ATC's request for an amended order. Requests for consideration of such issues must include all of the following:
- A. Additional factual issues which are not addressed by the proposed list of issues must be clearly identified in the filed comments.
 - B. A description of how the additional factual issues affect a substantial interest of the commenting party.
 - C. A description of how the revised project cost estimate raises the additional factual issues which are not addressed by the proposed list of issues.
 - D. An explanation of how the additional factual issues could have a bearing on the Commission's decision.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicants in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

Prehearing conference and Hearing will be scheduled at a later date.

Any party who desires to file comments should submit an original and 10 copies, as indicated on page one. Members of the public need only file an original. These comments must be received by noon on Friday, January 31, 2003. Comments submitted by fax are due one day earlier. Fax filing cover sheets must state "Official Filing" and include the docket number and the number of pages (limit of 20 pages). File by one mode only. Reply comments must be received by noon on Monday, February 10, 2003. The words "05-CE-113 Comments Regarding Revised Project Costs" must be clearly indicated on the first page of each filing.

This is a Type III action under Wis. Admin. Code § PSC 4.10(3). No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the attention of the Commission. Neither an environmental impact statement under Wis. Stat. § 1.11 nor an environmental assessment is required.

Docket 05-CE-113

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

Questions regarding this matter may be directed to docket coordinator Jim Lepinski at (608) 266-0478.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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